

### FUND OBJECTIVE

The objective of the Fund is to grow the value of Unit Holders' investments over the medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to the Malaysian equities market to balance any short-term volatilities.

### FUND DETAILS

Launch Date	20 May 2014	Domicile	Malaysia
Currency	Ringgit Malaysia	Launch Price	RM1.0000
Units in Circulation	27.95 million units (31 March 2021)	Fund Size	RM56.37 million (31 March 2021)
Unit NAV	RM2.0167 (31 March 2021)	Dealing	Daily (as per Bursa Malaysia trading day)
Fund Manager	Principal Asset Management Bhd	Target Fund	Principal Global Titans Fund
Benchmark	42% S&P500 + 36% MSCI Europe + 12% MSCI Japan + 10% CIMB Bank 1-Month Fixed Deposit Rate	Taxation	8% of annual investment income
Risk Profile	<p>Suitable for investors:</p> <ul style="list-style-type: none"> <li>▪ Have a medium to long term investment horizon</li> <li>▪ Target capital appreciation</li> <li>▪ Do not require regular income</li> <li>▪ Comfortable with higher volatility</li> <li>▪ Willing to take higher risk for potential higher gains</li> </ul>	Fees	<ul style="list-style-type: none"> <li>▪ Sun Life Malaysia does not impose any fund management charge on Sun Life Malaysia Global Titans Fund.</li> <li>▪ Up to 1.5% of per annum fund management charge is applied on the target fund's NAV by Principal Asset Management Bhd.</li> </ul>

### ASSET ALLOCATION OF THE TARGET FUND

Equities (Foreign)	Mutual Fund	Cash
68.81%	25.15%	6.04%

#### SECTOR ALLOCATION OF THE TARGET FUND

SPDR S&P 500 ETF	41.33%
IShares Core MSCI EUR ETF Dist	17.28%
Principal GLB EUR EQ-INS ACC	11.01%
TOPIX ETF	10.20%
JPM EUR Strategic Growth Fd	8.33%
Legg Mason GLB-US Large Cap	3.01%
JPM Japan Yen Fd	2.80%
Cash	6.04%
<b>Total</b>	<b>100.00%</b>

#### TOP HOLDINGS OF THE TARGET FUND

Apple Inc	2.50%
Microsoft Corp	2.34%
Amazon.com Inc	1.89%
Alphabet Inc	1.50%
ASML Holding NV	1.34%
Nestle SA	1.12%
Facebook Inc	1.06%
LVMH	0.97%
Roche Holding Ltd	0.68%
Tesla Inc	0.63%
<b>Total</b>	<b>14.03%</b>

#### PERFORMANCE RECORD

This fund feeds into Principal Global Titans Fund (“target fund”) with the objective to achieve medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to Malaysian equities market to balance any short term volatilities.

Table below shows the investment returns of Sun Life Malaysia Global Titans Fund versus its benchmark as at 31 March 2021:

%	YTD	1M	6M	1-Year	3-Years	5-Years	Since Inception
<b>Fund*</b>	6.08	4.83	14.09	34.38	37.18	69.66	101.67
<b>Benchmark</b>	7.07	5.35	16.92	38.20	40.16	76.42	107.15

\* Calculation of past performance is based on NAV-to-NAV

**Notice: Past performance of the fund is not an indication of its future performance which may differ. The fund performance is not guaranteed.**

#### FUND MANAGER'S COMMENTS

The Fund (Class MYR) increased by 4.83% during the month of March 2021, underperforming the benchmark by 52bps.

S&P 500 Index, MSCI Europe Index and MSCI Japan Index rallied 6.9%, 6.1% and 3.5% in March in MYR term, as markets look ahead for the positive global outlook with continued rapid vaccine rollout in US and UK. Over 31% and 46% of population have received at least one dose of vaccine in US and UK, whereas Europe and Japan was lagging with only 12.5% and 1% of the population received at least one dose. On fiscal stimulus, Biden signed the \$1.9trn American Rescue Plan that will provide more direct payments to households and extends unemployment payouts. 10-year US treasury yield rose to 1.72%.

Developed markets manufacturing PMIs reached new highs on stronger global demand as economic activities recover from COVID-19. The 12m forward earnings are revised higher for US and Japan. Europe forward corporate earnings were revised slightly lower. The Federal Reserve has reiterated its stance to not to raise rates before 2024 until the full employment and inflation target is achieved. We expect developed markets central banks to maintain their extremely easy policy stance. The €672.5bn EU Recovery and Resilience Facility, which is expected to be released this summer, will provide support for EU economies' continued recovery from the pandemic. Valuations are not stretched overall after the recent few rounds of market corrections.

We maintain overweight in US and Japan as we think the global economy should continue its recovery over the next 12 months with the rollout of vaccines. Despite the rising inflation expectations, we think central banks will stay accommodative until the economy recovery trajectory is ensured, full employment and inflation target is achieved. We are positive on US because the rapid vaccine rollout helps economic activities and employment to recover faster from the pandemic. Although Japan vaccine rate is low, the pandemic is well under control and Japan will benefit from strong global recovery. We downgrade Europe to slight underweight because of the rising "third wave" of infections across major EU countries caused by the UK variant. The lagging vaccine supply and movement restrictions will delay economic recovery.

## RISKS

All investment carries some form of risks. The potential key risks include but are not limited to the following:

<b>Market risk</b>	Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the target fund's NAV.
<b>Stock specific risk</b>	Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the target fund's NAV.
<b>Country risk</b>	Investments of the target fund in any country may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the target fund invests. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the target fund in those affected countries. This in turn may cause the NAV of the target fund or prices of units to fall.
<b>Currency risk</b>	As the investments of the target fund may be denominated in currencies other than base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the target fund and vice versa. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.
<b>Fund manager's risk</b>	Since the target fund invests into collective investment scheme managed by another manager, the fund manager has absolute discretion over the fund's investment technique and knowledge, operational controls and management. In the event of mismanagement of the fund and/or the management company, the NAV of the target fund, which invests into the fund would be affected negatively. Although the probability of such occurrence is minute, should the situation arise, Principal (S) will seek for an alternative collective investment scheme that is consistent with the objective of the target fund.

## RISKS (CONTINUED)

All investment carries some form of risks. The potential key risks include but are not limited to the following:

### **Credit and default risk**

Investments of the target fund may involve a certain degree of credit and default risk. Generally, credit and default risk is the risk of loss due to the counterparty's and/or issuer's non-payment or untimely payment of the investment amount as well as the returns on investment. Principal (S) aims to mitigate this risk by performing fundamental credit research and analysis to determine the creditworthiness of its counterparty and/or issuer.

**Source :** *Principal Asset Management Bhd*  
**Date :** *31 March 2021*

#### **Disclaimer:**

The benchmark performance is not a guide to future performances which may differ. The performance of the fund is not guaranteed. The value of the fund will fluctuate and may fall below the amount of premiums paid and the fund value depends on the actual performance of the underlying investment. This material is for information purposes only and is subject to change at any time without notice. Sun Life Malaysia does not guarantee its accuracy, completeness, correctness or timeliness for any purpose or reason. This information should not be considered as advice or recommendation in relation to your account or particular investment objectives, financial situation or needs. You may not revise, transform, or build upon this material without prior written consent of Sun Life Malaysia. Before acting on any information you should seek independent financial advice. Sun Life Malaysia may suspend the unit pricing and defer the payment of benefits, other than death and total and permanent disability benefits, subscription or redemption of units, switching of funds, under this contract for a reasonable period in exceptional circumstances, such as and including intervening events resulting in temporary closure of any stock exchange.